

**REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS
OF SAN BERNARDINO COUNTY, CALIFORNIA
AND RECORD OF ACTION**

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June 22, 2004

FROM: **RONALD D. REITZ**
County Counsel

**SUBJECT: AUTHORIZE ISSUANCE AND SALE OF VICTOR VALLEY UNION HIGH
 SCHOOL DISTRICT 2004-2005 TAX AND REVENUE ANTICIPATION NOTES IN
 AN AMOUNT NOT TO EXCEED \$7,000,000**

RECOMMENDATION: Adopt Resolution providing for the borrowing of funds on behalf of the Victor Valley Union High School District for Fiscal Year 2004-2005 and the issuance of 2004 tax and revenue anticipation notes in an amount not to exceed \$7,000,000.

BACKGROUND INFORMATION: The Board of Education of the Victor Valley Union High School District ("District") adopted a resolution determining to borrow funds in an amount not to exceed \$7,000,000 for Fiscal Year 2004-2005, and to authorize the issuance of tax and revenue anticipation notes. Government Code section 53850 permits the District to borrow money by the issuance of such temporary notes. Government Code section 53853 requires the County Board of Supervisors, as soon as possible following receipt of the resolution of the District Board of Education, to issue such notes in the name and on behalf of the District. In July 2002, the Board of Supervisors adopted Resolution No. 2002-218 authorizing school districts and community college districts to issue general obligation bonds on their own behalf without approval from the Board of Supervisors. The statutory scheme permits that process for general obligation bonds but does not currently permit a similar process for the issuance of tax and revenue anticipation notes. In order for that to happen, the statutes governing the issuance of such notes would need to be amended to permit districts to issue the notes on their own behalf. The District adopted its Resolution on June 17, 2004. The District is obligated to repay the Notes.

REVIEW AND APPROVAL BY OTHERS: This item was reviewed by County Counsel (Michelle D. Blakemore, Deputy County Counsel, 387-5455) on June 10, 2004; the Treasurer-Tax Collector (Craig Hughes, Cash Manager/Investment Officer, 387-6377) on June 14, 2004; and the County Administrative Office (Tracy Lindsay, Administrative Analyst, 387-4659) on June 14, 2004.

FINANCIAL IMPACT: No financial impact on the County.

SUPERVISORIAL DISTRICT(S): 1st District

PRESENTER: Ronald D. Reitz, County Counsel, 387-5459

Record of Action of the Board of Supervisors

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